

COUNTY OF SAN DIEGO, CALIFORNIA
BOARD OF SUPERVISORS POLICY

Subject

Loan of County Property to Non-County Activities

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Purpose

To establish procedures wherein County-owned property (excluding motor vehicles) may be loaned to non-County agencies/activities.

Background

Utilization of County-owned property within/between County departments has been well established by various codes and by precedent. Not established is a policy/procedure wherein Community Agencies, or other County contractors, holding valid County contracts can utilize County-owned property on a loan basis in lieu of purchasing like property with contract funds. Also occasions have arisen wherein Community Agencies/non-profit organizations/corporations have need for loan of County-owned property on a joint project or in which the County has a financial or community interest but which are not currently funded by a County contract or other contract.

References/Related Policies

Administrative Code Section 416, Report of Personal Property No Longer Needed by Department.

Administrative Code Section 417, Acquisition of Excess Property from Director, Purchasing and Contracting.

Board of Supervisors Policy A-94, Disposal of Personal Property.

Policy

It is the policy of the Board of Supervisors that:

1. Temporary transfer of excess County-owned property on a loan basis to County contractors with current County contracts can be effected providing:
 - a. Need for such loan is justified to the loaning department and the loaning department head concurs and authorizes loan of County property for a specified period. Motor vehicles of any type are excluded from this policy.
 - b. Any funds provided in such contract for purchase of property, which is subsequently loaned to the contractor by the County, may be reallocated by the contract administrator to other program purposes.

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c. That said County contractors use the loaned property for the benefit of the contract program and agree to return it to the County when requested or at the termination of the contract in like condition to when received, normal wear and tear excepted.

d. That said County contractors assume liability for any and all damage or loss to said property and further agree that the amount of any such loss or damage shall be ascertained by the Director, Purchasing and Contracting with concurrence of the Chief Administrative Officer and the Auditor and Controller. Such amount may be deducted by the County from payments due to the County contractors under their contract.

e. A written loan agreement, encompassing the Loan Agreement Principles in Paragraph 3, shall be consummated between the loaning department and County contractor. The loan agreement shall be approved by the loaning department head and signed by an authorized representative of the contractor.

2. Transfers of excess County owned property to Community agencies/nonprofit organizations who, although not holding County Contracts, have need of such property and such transfer would be beneficial to the County of San Diego can be effected providing:

a. Need for such loan is justified to the loaning department and the loaning department head concurs and requests review as to legality of said loan by County Counsel; if County Counsel concurs, the loaning department head authorizes loan of County property for a specified period. Motor vehicles of any type are excluded from this policy.

b. Community agencies/non-profit organizations who request loan of property under this section of the policy assume liability for any and all damage or loss to said property and further agree that the amount of any such loss or damage shall be ascertained by the Director, Purchasing and Contracting, with concurrence of the loaning department head and the Auditor and Controller.

c. A written loan agreement, encompassing the Loan Agreement Principles in Paragraph 3, shall be consummated between the loaning department and community agency/non-profit organization. The loan agreement shall be approved by the loaning department head and signed by an authorized representative of the community agency/non-profit organization.

3. The loan agreement shall include the following principles:

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a. That the borrower is responsible for returning the borrowed items listed in the loan agreement and agrees to assume the risk of loss from any cause whatsoever.

b. In the event the property is lost, the borrower agrees to pay the agreed value indicated in the loan agreement.

c. In the event the property is damaged, the borrower agrees to pay the cost of repair, said amount to be determined by the Director, Purchasing and Contracting, with concurrence of the loaning department head and the Auditor and Controller, however, not to exceed the agreed value indicated in the loan agreement.

d. The borrower agrees to hold the County and its agents, officers and employees harmless from all claims arising from use of the loaned items.

e. Who is responsible for paying pickup and/or delivery charges (County or borrower).

f. That the borrower agrees to return the items loaned at any time at the request of the County.

g. That the County retains the right to physically inventory and inspect loaned property at reasonable hours.

h. List property being loaned. The list shall indicate description; quantity; assigned County property number(s) (serial number if available and no County property number assigned); acquisition value; agreed value; and location code of the assigned contractor/borrower.

4. The loaning department shall submit each September, to the Chief Administrative Officer, a report of all items on loan to contractors and community agencies or non-profit organizations, the organization's name, the loaned item's description and quantity, assigned County property number(s) (serial number if available and no County property number assigned), acquisition number, agreed value, and expiration date of the respective loan agreement.

Exclusions: Motor vehicles of any type.

Sunset Date

This policy will be reviewed for continuance by 12-31-96.

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Board Action

1-27-76 (55)

12-4-84 (27)

12-15-87 (43)

6-29-93 (61)

CAO Reference

1. County Counsel

2. Chief Administrative Office

3. Department of Purchasing and Contracting